

**Texas Tribune Media Inquiry**

**Kiah Collier**

**Deadline: EOD August 19, 2019**

**Question 8**

**The Peelers claim that contaminated water is running off onto their land and also into the La Parita Creek system, which eventually flows into Lake Corpus Christi, which is that city's main drinking water supply. Has SMECI tested water in the creek system and is it concerned that contaminants may end up in the lake and in people's drinking water**

Discharges of wastewater from the mine are regulated by the Texas Commission on Environmental Quality (TCEQ) through the Texas Discharge Elimination System (TPDES) program. In developing TPDES permit terms and limits, TCEQ follows a strict process to implement the Texas Surface Water Quality Standards. These standards include general narrative standards that must be met; procedures to ensure that water quality of the receiving stream is not degraded; specific numerical standards for designated stream segments; and numeric standards for toxicants that are applicable to all waters.

All of these standards apply to discharges from SMEC, and all of these standards were considered by TCEQ when issuing and re-issuing permits to SMEC. SMEC is authorized to discharge wastewaters from specific outfalls in accordance with its TPDES permit. All of SMEC's discharges from the mine are from authorized outfalls and are pursuant to, and in compliance with, requirements and limitations imposed in its TPDES permit.

In addition, in accordance with its Railroad Commission of Texas (RRC) permit, SMEC monitors surface waters throughout the life of the mine (which includes the reclamation period), at upstream and downstream locations, to ensure that the surface waters have not been materially impacted by mining activities.

**Question 9, Part I**

**We have documents and interviews with current and former RRC employees that show that the agency has been seemingly supportive of SMECI in its dispute with the Peelers, who also claim that the agency has done little to help them. Here are some examples that we'd like SMECI to explain or respond to:**

**San Miguel has requested several revisions to its mining permit that would appear to be significant, but the RRC's mining division has often deemed those changes non-significant. (For example, [Revision No. 1](#), submitted in 2013.) That has included allowing SMECI to clean up parts of the property to "industrial-commercial" standards rather than "pastureland."**

**In one case, San Miguel sought permission to change post-mine land use for a few hundred acres of land from pastureland to I/C and sent Alonzo Peeler a color-coded map for review**

**that showed the location of the changes. Later, the family's attorney discovered cleanup standards had been downgraded for thousands of acres — seemingly because the map on file at the RRC was black and white instead of color, so didn't show where the sliver of land was. The family thinks this was done on purpose. Both maps are attached.**

**Has SMECI addressed this issue?**

Based on your question, it appears the Peeler's attorney continues to misunderstand and misconstrue the administrative record. As documented fully in sworn testimony during depositions conducted by the Peeler's attorney, San Miguel has always considered the lease-required reclamation standard to be pastureland and remains fully committed to achieving that post-mine land use. Deposition testimony of multiple witnesses establishes that San Miguel's actions in the field have never wavered from that commitment. The fact that the Railroad Commission encouraged an Industrial/Commercial designation for an interim period of time never changed San Miguel's commitment and actions in the field to reclaim the Peeler property to pastureland. To allay the concerns raised by the Peelers, San Miguel has initiated a process with the Railroad Commission to shift the land use designation back to pastureland to correspond with San Miguel's reclamation process. It is important to note, even after San Miguel completes this shift, ongoing oil and gas operations allowed by the Peelers and out of San Miguel's control will continue to hold an Industrial/Commercial land use designation, per the practice and procedures of the Railroad Commission.

**Question 19**

**The Peelers' attorney claims that SMECI still hasn't notified the family of groundwater contamination as required by the 2015 Coal Ash Rule. What is SMECI's response to this?**

It is important to note from the outset that the implication that the Peeler family has been deprived of information is without merit, given that San Miguel has provided to the Peelers all of the groundwater data obtained during the ongoing investigation at the time that the data was obtained. The CCR Rules require formal landowner notification after San Miguel concludes that certain constituents are detected at a statistically significant level above groundwater protection standards. Consistent with the CCR rules and in full consultation with the Peelers, San Miguel has installed temporary wells on Peeler property and obtained preliminary data. San Miguel is in the process of evaluating that data and intends to provide notice per the CCR Rules upon completion of that process.